



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

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GOVERNOR

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**North Carolina Board of Transportation  
Environmental Planning and Policy Committee  
Meeting Minutes for July 6, 2005**

A meeting of the Environmental Planning and Policy Committee (EPPC) was held July 6, 2005 at 8:30 AM in the Board Room (Room 150) of the Transportation Building. Board Member Nina Szlosberg chaired the meeting. Other Board of Transportation members that attended were:

Tom Betts	Doug Galyon
Conrad Burrell	Arnold Lackey
Bob Collier	Cam McRae
Marion Cowell	Andrew Perkins
Nancy Dunn	

Other attendees included:

Jamal Alavi	Gail Grimes	Mike Pettyjohn
Al Avant	Phil Harris	Allen Pope
Tad Boggs	Teresa Hart	Roy Shelton
Donnie Brew	Julie Hunkins	Mike Stanley
Jennifer Bumgarner	Pat Ivey	John Sullivan
Ken Creech	Berry Jenkins	Jay Swain
Eddie Dancausse	David Joyner	Tia Teasley
Glenn Dennison	Suzanne Klimek	Greg Thorpe
Steve DeWitt	Don Lee	Secretary Lyndo Tippet
Edward Eatmon	April Little	Charles Tomlinson
Linda Fitzpatrick	Ehren Meister	Jim Trogden
Mark Foster	Eric Midkiff	Don Voelker
C.A. Gardner	Barry Moose	John Williamson
Bill Gilmore	Sandy Nance	Marcus Wilner
Ricky Greene	Jon Nance	

Ms. Szlosberg called the meeting to order at 8:30 AM and circulated the attendance sheet.

Ms. Szlosberg gave a general explanation of the Congestion Mitigation and Air Quality (CMAQ) program and how this was an opportunity to help non-attainment areas with air quality issues. She explained that because of the collaborative selection process, the CMAQ projects would not be in the TIP that the Board would be voting on the next day. However, this did not mean that we would not be funding CMAQ projects. There would be a few months lapse and these projects would end up as an amendment to the TIP at some point in the future.

Ms. Szlosberg introduced Mr. Dan Thomas, Technical Services Group Manager, Transportation Planning Branch, to speak about the CMAQ project submittal process and the consequential recommended CMAQ projects.

Mr. Thomas gave a brief overview of where the department is with the CMAQ projects:

- Last October NCDOT issued a call for CMAQ projects and by the end of January 2005, NCDOT had received 137 projects from Metropolitan Planning Organizations (MPOs) and RPOs (Rural Planning Organizations), as well as Statewide sponsors.
- Projects were prioritized by the submitting agency or sponsor based on emissions benefits, cost, MPO/RPO priorities, ability to make local match of 20%, and targeted allocations over the next 7 years.
- NCDOT has an estimated \$20 million per year for the entire State. Of that, 20% was set aside for Statewide projects, and the remaining 80% was distributed to MPOs and RPOs in non-attainment or maintenance areas based on the same criteria that the funds are distributed to the states – population and severity of non-attainment designation.
- Because of cash shortages a couple of months ago, the total funding had been reduced to \$12 million for the next three years and \$26 million for the last four years. Total funding is the same but it is distributed differently.
- In addition, over the next three years there are several pipeline projects that will need to be funded from the \$12 million.
- The Transportation Planning Branch has been working with Al Avant of NCDOT's Program Development Branch to schedule the projects that were submitted given the updated funding estimates.

The listing of proposed CMAQ projects was then distributed to the committee members as Mr. Thomas continued. Mr. Thomas explained that the Transportation Planning Branch is providing this information to each of the Board of Transportation members and are planning on sending the same list of proposed projects to the MPOs and RPOs to get their comments on this scheduling. It is very important to get their input since they are responsible for the 20% match.

Mr. Thomas then asked for any questions.

Ms. Szlosberg stated that one concern she had was the reduction in funds during the first 3 years to \$12 million and our commitment to picking up the rest of the money. She asked Mr. Mark Foster, NCDOT Chief Financial Officer, to comment on how the funding was being structured.

Mr. Foster commented that everything depends on cash availability. He explained that the CMAQ projects were undergoing the same scaling back as the other TIP projects. This is in

reaction to current business and construction inflation, which is rapidly reducing cash capacity. Hopefully, once past 2007 and 2008, we will be able to recover from that lost ground.

Ms. Szlosberg commented that she wanted to be sure there was funding for top priority projects like the Raleigh signalization project.

Ms. Szlosberg described the next steps as the listing would come back to the EPPC in September and go to the full Board in October for consideration as an amendment to the TIP.

Ms. Szlosberg asked if everyone understood what the arrows indicated on the listing.

Mr. Al Avant explained that it shows where projects were moved either forward or back from what was originally submitted by municipalities. This was done to get better bids by consolidating smaller projects.

Ms. Szlosberg added that emissions benefit numbers were also used in this prioritization process.

Ms. Szlosberg accepted a motion to approve the meeting minutes from the June committee meeting. The minutes were approved as presented.

Ms. Szlosberg recognized Mr. David Joyner as the new Executive Director of the Turnpike Authority.

Ms. Szlosberg introduced Mr. Bill Gilmore, Director of the Ecosystem Enhancement Program (EEP), NC Department of Environment and Natural Resources, to talk about the EEP.

Key points of Mr. Gilmore's presentation were:

- The program is an NCDOT/EEP partnership providing mitigation for ongoing environmental impacts following the sequencing process of avoidance, minimization, and mitigation.
- Prior to the EEP, in the early 2000 years, 40% of project delays were attributed to mitigation issues. However, in the last 23 months there have been no project delays caused by mitigation issues.
- The EEP is currently establishing more mitigation than is needed for the current TIP. When the EEP gets to a certain platform 5-6 years in advance, the program will drop back to a year by year program.
- The EEP is currently tracking about 400 projects.
- EEP has been able to adjust mitigation projects to adapt to the recent rescheduling of TIP projects for acceleration, funding realignments and TIP amendments.
- EEP is also accepting past projects where perhaps the mitigation sites did not perform as planned. EEP is either refurbishing the sites or developing replacements.
- There are 64 active High Quality Preservation projects amounting to \$46.5 million for 1,931 acres of wetlands and 143 miles of stream.
- The Program Summary from July 2003 to June 2005 includes:

- 119 TIP mitigation requests (193,000 feet of stream, 612 acres of wetland, and 152 acres of buffer)
- Provides mitigation to advance a highway construction cost of \$1.9 billion
- Mitigation cost is approximately \$55 million
- Percent of mitigation costs relative to total project cost = 2.8%
- The NC EEP has received several national awards and other recognition from 2003 through 2005.

Mr. Gilmore stated that his full presentation would be available on the EEP web site at <http://www.nceep.net>.

Mr. Gilmore distributed copies of the details of mitigation projects and asked if the committee members had questions.

Mr. Cam McRae asked how Mr. Gilmore would quantify the inflation rate for similar type mitigation over the past two years.

Mr. Gilmore stated this is a very complex issue. As a first test, we use Construction Cost Index. We also track cost individually by site. We have seen an increase in cost and attribute it, in part, to both demand and the overall economy.

Mr. Andrew Perkins asked if all mitigation was site specific or were they using mitigation banking in more of a state perspective.

Mr. Gilmore replied that they are able to combine mitigation sites within a watershed and use them where needed.

Mr. Perkins asked if mitigation in one watershed could be used to balance a project in another watershed.

Mr. Gilmore stated that they are required by federal regulation to stay within a watershed. However, if there is a “problem watershed” where traditional mitigation is hard to find, the regulatory agencies are allowing us to go outside that watershed and apply that same banking principle to those projects.

Ms. Szlosberg stated that the “nut” of it is water quality and we are talking about functional replacement.

Mr. Gilmore added that NCDOT has a good program for estimating impacts and the EEP has the time to mitigate where needed without delaying a project.

Mr. Perkins asked if EEP was able to do any catch-up on older projects.

Mr. Gilmore answered that they are working on some of those older projects with NCDOT where mitigation sites tied to TIP projects have failed.

Mr. McRae asked how long the monitoring period is for mitigation.

Mr. Gilmore answered that the period is between 5 and 7 years. The monitoring period is to ensure the mitigation sites actually start functioning. Some of the sites from earlier years were built on older technology and are not performing as intended. We hope that, eventually, the length of time for monitoring can be reduced.

Mr. McRae asked how much cost inflation has occurred in mitigation sites.

Mr. Gilmore stated they are watching the costs but it is a free enterprise process. When the bids come in, they weigh meeting compliance with cost. He explained that EEP has a threshold and when a project goes above their scheduled fees, they think about that project very hard. EEP is also working with the Corps of Engineers (COE) to contain those costs.

Mr. McRae asked Mr. Mark Foster if he had all the information he needed to factor this into inflation just like he does construction costs in looking out into the future. Mr. McRae asked Mr. Foster how costs from 10 years ago compare to what it is going to be 10 years from now?

Mr. Foster answered we have never tracked those costs close in years past. It would be a Herculean effort to go back and find that information. He believed Mr. Gilmore was trying to say that we control our own destiny in terms of demand. And as we do better planning up front now, we can get ahead of the cost curve a little bit by just giving them more time. He added that he has 3-4 resources working almost full time to get their hands around this.

Ms. Szlosberg wanted to know the status of the transition period to balance the restoration.

Mr. Gilmore stated we are doing very well. In some cases we are 2-3 years ahead of the game. The status of the EEP is provided on the web site every 3 months showing exactly where we stand. In August, EEP will do a reconciliation of all the mitigation provided to all the TIP projects to the end of the transition.

Ms. Szlosberg reintroduced the stream mapping resolution for consideration.

Mr. McRae stated that since he had not received the resolution in advance, he was not sure what changes had been made to the resolution since it was last presented to the committee.

Ms. Szlosberg stated she believed the main issue was around funding and that had all been removed. There were no other changes.

Mr. Perkins asked what the replication of effort is with what the legislature is asking us to do and what the COE is already doing.

Dr. Greg Thorpe, NCDOT Project Development and Environmental Analysis Branch, stated that he was not aware of any COE work in stream mapping. The mapping depended upon comes from a combination of USGS topographic maps and soil survey maps. This provides about 70-

80 percent accuracy with each having their flaws. Having accurate maps would help a great deal.

Mr. Perkins asked what accuracy we were trying to achieve.

Dr. Thorpe replied that 80% is probably on the high end. Some of the US topographic maps might be as bad as 30 or 40 percent and if you add the soil maps on top of that, it improves your accuracy. But a lot of what NCDOT works with are the intermittent streams, the top of the watershed -- headwater streams -- which are ecologically important. These are often the ones that are missing from the maps.

Mr. Perkins stated he was concerned that we were replicating what the federal government has already charged the various districts and divisions to do. We need to investigate what they are already doing.

Dr. Thorpe stated we work with the COE on a regular basis on stream delineation and they are interested in improving the accuracy of the data.

Ms. Szlosberg asked if the COE has endorsed the plan and if they were part of the working group.

Dr. Thorpe said he was not sure if they were part of the group or not.

Ms. Nancy Dunn stated that if the COE had more current information than anyone else, it might be good to have a statement from them.

Ms. Szlosberg stated the committee would like to get some information from the COE about where they are on it.

Mr. Doug Galyon suggested that the committee wait until next month and receive a presentation on exactly what the status is and what is to be accomplished.

Ms. Szlosberg agreed with that suggestion.

Ms. Szlosberg adjourned the meeting at 9:30 A.M.

The next meeting for the Environmental Planning and Policy Committee is scheduled for Wednesday, August 3, 2005 at 8:30 A.M. in the Board of Transportation Room (Room 150) of the Transportation Building.

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